

The Budget—Mr. Argue

supports full parity prices for agriculture. The record of the Liberal government on parity prices is quite clear. The government has very few support prices of any kind, and they are ridiculously low. They have resulted in near bankruptcy for many farmers. The floor price of 38 cents a dozen on eggs, for example, is inoperative and too low. The floor price for hogs does not give the farmer an adequate support price. Even the price for grains—and this is not the fault of the wheat board—is too low and should be supported at higher levels.

From time to time the C.C.F. has supported parity in this house by motions asking that parity prices be implemented. The Conservative party does not believe in parity prices. Last year the C.C.F. moved a motion asking for parity prices for hogs and cattle. It was moved by the hon. member for MacKenzie (Mr. Nicholson) and is recorded on page 4797 of *Hansard* for May 17, 1954. When the vote was taken the members of the Conservative party voted against the motion. In his opening speech this session the leader of the Social Credit party had some remarks to make about parity prices. He said that his party was in favour of flexible parity prices, in other words prices that were only a percentage of parity and which did not give the farmer the full equitable treatment he deserves.

In case the hon. member may think I am misrepresenting what he said, I shall quote his exact words as reported on page 47 of *Hansard* for January 10, 1955:

There is a very good case that can be made in favour of the adoption of such a flexible system here in Canada, the percentage of parity that is used of course to depend upon the amount of incentive which ought to be provided to achieve the amount of production that is required to meet the need.

The C.C.F. party does not agree with that stand. We think agriculture is entitled to full parity prices.

Mr. Quelch: Parity with what?

Mr. Argue: I shall explain that. I would suggest the basis of parity, 1925-1929, as advanced by the Canadian Federation of Agriculture, as the most suitable base. In the past when C.C.F. members have advanced the concept of parity prices, such large western newspapers as the *Winnipeg Free Press* and the *Regina Leader-Post* have come out with cartoons and editorials criticizing this concept of parity prices. These newspapers, which go into the main agricultural areas surrounding the two cities in which they are published, do not believe in, and in fact oppose adequate support prices. They believe in low stop-loss support prices,

if indeed they believe in support prices at all. I believe those newspapers would be doing a service to the provinces in which they are located if they changed their policy and began supporting the agricultural industry on which their circulation depends.

I hope they will not continue to suggest that parity prices themselves cause huge surpluses of food. We read in the press that parity prices in the United States or some other country are causing huge surpluses of food. I suggest that the huge surpluses of food that may exist are not brought about by high support prices but because steps have not been taken to see that these food surpluses are made available to people who could consume them. In other words the difficulty should be corrected by improvement in the demand rather than by lowering prices in the belief that farm production may be reduced.

The history of agriculture shows that any time the prices of agricultural products generally are reduced, production goes up. If the government reduced what is a good support price, in my opinion, on butter, the production of butter in all probability would go up. Farmers endeavouring to protect their income would milk more cows and ship more cream. By increasing production they would hope to maintain the same monthly or yearly income.

It will be no service to any nation for its government to reduce prices of agricultural products in the hope of reducing production, if by so doing it cripples agriculture and causes widespread difficulty in the economy generally. The C.C.F. therefore at this time is stating its support for parity prices for products produced on the Canadian family farm. I repeat, that is the first clause that should be placed in a bill of rights for Canadian agriculture.

The second clause, I suggest, should be one that calls for national marketing boards to provide, at the producers' request, stability in the assembly, processing and marketing of the main agricultural products.

Clause 3 would establish a board of livestock commissioners to provide scientific grading standards to protect the farmers' interests in the market.

Clause 4 would be support of international commodity agreements and the continuation of the international wheat agreement. We in the C.C.F. have always supported international commodity agreements. We hope they can be extended in the future.

Clause 5 would be support for an international food pool. Instead of each nation attempting to get rid of its surplus on a unilateral basis, we believe it is preferable